Payment Advice Internet Delivery (PAID)
Fact Sheet

What is PAID?

PAID is a system developed by the U.S. Department of the Treasury's Financial Management Service (FMS) to provide participating Federal agencies a method of making remittance information available to their vendors through the Internet. The Internet address for the PAID site is:

http://arfc.fms.treas.gov

Why was PAID developed?

PAID was developed to provide Federal agencies with an alternative method to deliver remittance information to their vendors. Congressional legislation mandates that after January 1, 1999, most Federal payments, including vendor payments, must be made electronically. Electronic vendor payments with remittance information are sent to the vendor's financial institution through the Automated Clearing House (ACH) system. The vendor's financial institution passes the remittance information to the vendor per a preexisting agreement with the vendor. Some vendors were reluctant to convert to ACH payments because some financial institutions were not able to provide remittance information. The National Automated Clearing House Association (NACHA) passed a rule that effective September 18, 1998, all financial institutions receiving corporate ACH transactions are required to pass addenda information to their corporate customers upon request.

How much does it cost to participate in PAID?

The system is free of charge to participating Federal agencies and their registered vendors with Internet access.

How does a Federal agency participate in PAID?

An agency interested in participating in PAID will sign a Memorandum of Understanding with FMS. Once all the necessary information has been provided and the agreement has been finalized, the agency will notify its vendors that PAID is available.

How does a vendor participate in PAID?

To participate in PAID, you must be using an Internet browser with the capabilities equivalent to Microsoft Internet Explorer version 3.x (or greater) or Netscape Navigator version 3.x (or greater). Vendors interested in participating in PAID should first check the list of participating agencies on the PAID Web site to determine if any of the agencies paying them are participants. Vendors must register for PAID on-line by completing the registration form and choosing one of the following delivery methods: Web access to remittance data, e-mail delivery of remittance data, or e-mail notification of new remittance data. The PAID Web master will verify and activate the vendor's registration, and the vendor will receive e-mail notification of acceptance. A vendor need only register one time for each Taxpayer Identification Number (TIN) to access remittance data from all participating agencies.

What data are in the PAID system?

Displayed data fields are limited to paying agency, date of payment, payment amount, invoice number, and other remittance information such as interest penalty (as provided by the agency in the addendum record). The TIN is used as the key to the vendor registration, but it is not displayed in PAID. Banking

information is not part of PAID. PAID only contains data on payments made by participating agencies to registered vendors. Vendors can only access their own payment data. PAID contains data for Cash Concentration and Disbursement (CCD+) Plus Addendum payments only. Given the amount of remittance information contained in a Corporate Trade Exchange (CTX) payment, it is assumed that vendors receiving those transactions have existing agreements with their financial institutions to provide them with the remittance information.

How does a vendor access its data in PAID?

After receiving the registration acceptance notice, a vendor can log into PAID and query, on-line, payments by date, date range, invoice number, dollar amount, agency, or any combination thereof. If a vendor registers for e-mail delivery of remittance data, it will receive a message containing its remittance information. If a vendor registers for e-mail notification, it will receive a message that it has new remittance information in PAID. An on-line demonstration is available on the PAID Web site.

When are data available and for how long?

Data should be available within 24 hours of the date of payment and are retained for two months from the date of payment.

How secure is data on the Internet?

To access PAID, you must be using a browser with capabilities equivalent to Microsoft Internet Explorer version 3.x (or greater) or Netscape Navigator version 3.x (or greater). If you access the Internet through a local area network (LAN) and encounter difficulty accessing the secure site, contact your LAN administrator for assistance. PAID is a secure site using the standard Secure Sockets Layer (SSL) to provide a secure channel of communication between a Web browser and the server. This authenticates the identity of the server to the browser, and provides privacy by encrypting and decrypting all data sent between them.

If a vendor receives data through PAID but still has a question, whom should it contact?

Information in PAID appears as it is provided by the Federal agency authorizing the payment. If a vendor has any questions or needs additional information about data displayed in PAID, it must contact the agency that authorized the payment. Participating agency contacts are listed on the PAID Web site.

What alternatives to PAID are available?

The primary alternative to PAID is for the vendor to receive its remittance information from its financial institution. Registration in PAID does not preclude the remittance information from accompanying the payment. The financial institution still receives the payment **and** the remittance information. Vendors that want to streamline their accounts-receivable processing may prefer to receive the remittance information electronically from their financial institutions and pass it directly to their accounts-receivable systems. Several Federal agencies have developed alternative methods to deliver remittance information, including their own Web sites, touch-tone telephone response systems, and fax-on-demand systems. A list of these Federal agencies is available on the PAID Web site.

July 1998